



# NEWS & VIEWS

**SBA News and Views** is a publication of the SBA Wisconsin District Office. Its purpose is to provide Wisconsin lenders and small business leaders with up-to-date information on SBA programs and small business issues. It is distributed at no cost, and the reprinting of articles is encouraged

## *Serving America's Small Businesses*

### U.S. Small Business Administration Wisconsin District Office

**Eric Ness, District Director**  
- FY 2008 – Issue 10 -

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**SBA Home Page**  
<http://www.sba.gov>

**Wisconsin SBA Home Page**  
<http://www.sba.gov/wi>

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### ***SBA Increases Benefits for Disaster Victims***

Jovita Carranza Acting Administrator of the U.S. Small Business Administration announced that disaster victims now have increased benefits, including immediate access to loans of up to \$14,000 without collateral and a \$500,000 increase in the disaster loan cap to businesses. The changes, recently signed into law under the Small Business Disaster Response and Loan Improvement Act of the 2008 Farm Bill, have officially been implemented by the SBA the week of July 1, 2008.

"Midwest residents whose homes and businesses have been destroyed or damaged by severe flooding will have enhanced support through the SBA to help them recover due to the new provisions," said Carranza. "These changes will help alleviate the burden of rebuilding and make the recovery process more manageable. I encourage disaster victims to use the resources and counseling of SBA to help them during this very difficult time."

The enhanced benefits under SBA's Disaster Assistance program all of which are retroactive to cover loans approved in disasters declared on or after May 22, 2008 include:

**Increased Loan Limits**—Eligible borrowers may take out a \$14,000 loan without collateral, up from the previous \$10,000 unsecured loan limit.

**Increased Disaster Loan Amounts**  
The disaster loan cap for businesses has increased from \$1.5 million to \$2 million. The 20 percent mitigation measure formula has changed from total loan eligibility to total loss eligibility.

**Economic Injury Disaster Loans to Nonprofits**—SBA's Economic Injury Disaster Loan program now includes private, non-profit organizations of all sizes.

**Net Earnings Clauses Prohibited**  
Borrowers are not required to make a supplemental payment for the first five years after repayment begins.

SBA's low-interest federal disaster loans are available to homeowners, renters, businesses of all sizes and private, non-profit organizations whose property was damaged or destroyed by disasters. SBA customer service representatives are available at disaster recovery centers throughout the affected areas to issue loan applications, answer questions about SBA's disaster loan program, explain the application process and help every person complete their applications.

SBA is also working with FEMA, state and local governments to ensure that residents receive support. The agency's disaster staff is working to meet the needs of home and business owners affected by severe storms and flooding in Iowa, Indian, Wisconsin, and other states.

To obtain a loan application, interested business owners should contact the SBA's Customer Service Center by calling 1-800-659-2955 (1-800-877-8339 for the hearing-impaired) Monday through Friday from 8 a.m. to 9 p.m. and Saturday and Sunday 9 a.m. to 6 p.m. EDT, or by emailing our customer service center at [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov). Business disaster loan applications can also be downloaded from [www.sba.gov/services/disasterassistance](http://www.sba.gov/services/disasterassistance).

Completed applications should be mailed to U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

### **Two New Online Finance Courses for Small Business Owners**

The U.S. Small Business Administration has introduced two new free online finance courses to help small business owners with the basic principles of finance and borrowing.

The new self-paced courses, **Finance Primer: Guide to SBA's Loan Guaranty Programs** and **How to Prepare a Loan Package** can be found at [www.sba.gov/services/training/onlinecourses/index.html](http://www.sba.gov/services/training/onlinecourses/index.html) under the header "Financing & Accounting." These courses walk business owners through steps that answer questions about what debt financing is, what loan programs are available, what small businesses should know about borrowing money, how to prepare a loan package, and how loan requests are reviewed by lenders.

"It is important for the SBA to provide information tools to help our nation's entrepreneurs who desire the personal freedom and economic independence that can come with business ownership," said SBA Acting Administrator Jovita Carranza.

The Finance Primer gives an overview of the SBA's loan guaranty programs to help small businesses understand the variety of financial resources, including those from the SBA. The finance courses can help entrepreneurs avoid some of the common mistakes made such as securing the wrong type of financing, miscalculating the amount of financing required, and underestimating the cost of borrowing money.

The Loan Package course includes small business links to related information, and refers course participants for direct support in preparing a loan request to appropriate resources that include SBA's

district offices, SBA resource partners, and lenders.

Course participants who complete the 30-minute online training programs can earn a certificate of completion from the SBA, with their name, date and course title.

The new finance courses have been added to a menu of more than 26 online tutorials offered by the SBA. On a typical day, 800 to 2,000 customers register for free online courses offered by the SBA through its virtual training campus at the Small Business Training Network (SBTN) ([www.sba.gov/training](http://www.sba.gov/training)).

### **Johnson Bank is Wisconsin's Newest SBA Preferred Lender**



L to R – Johnson Bank's Corporate Credit officer Amy Klaus, AVP for Corporate Credit Chris J. Wood; SBA Region V Administrator, Patrick Rea, Johnson Bank President/CEO Richard A. Hansen and SVP-Director of Commercial Banking Services Chris Ott, SBA Business Development Specialist Joe Rosner and Wisconsin SBA District Director Eric Ness.

On Wednesday, July 9, 2008, at a ceremony at Johnson Bank's corporate headquarters in Racine, President/CEO Richard A. Hansen was presented with a PLP plaque by SBA Region V Administrator Patrick Rea in recognition of Johnson Bank attaining Preferred Lender status with SBA.

"We are pleased to congratulate Johnson Bank on their top performance in SBA's Preferred Lender Program (PLP)," says SBA Region V Administrator Patrick Rea. "Johnson Bank joins an expanding national list of PLP lenders that are working in partnership to streamline the process of providing financial

assistance to the small business community."

Johnson Bank helps businesses grow through their flexible lending options. One of their options is to utilize government programs, which are available through the U.S. Small Business Administration as well as local community development corporations. Johnson tailors financing packages to fit specific needs that include lower down payments, smaller monthly payments, and long-term fixed interest rates. They can assist business expansions that want to compete in the global marketplace by being a partner in supporting international financial transactions.

"We are very conservative with our lending practices, but more importantly, we do the right thing for our clients," said Richard Hansen, Johnson Bank President and CEO. "It works."

Johnson Bank has a commitment to building meaningful, long-term relationships with their customers and is the inspiration behind the "Johnson Bank difference." They promise to provide outstanding customer service, expert guidance, comprehensive financial planning and the fullest range of products.

"We are extremely proud to recognize Johnson Bank as Wisconsin's newest preferred lender and look forward to a long and rewarding association," said SBA Wisconsin District Director Eric Ness.

### **SBA Partners with Department of the Navy**

The U.S. Small Business Administration and the Department of Navy signed a Memorandum of Agreement that will improve federal contracting opportunities for more than 240 small disadvantaged firms participating in the SBA's 8(a) Business Development program in all 50 states.

Under the agreement, the Naval Sea Systems Command will use its SeaPort-e Web-based services acquisition tool

containing Multiple Award Contracts to award federal contracts directly to firms participating in the 8(a) program. The 8(a) program is a business development program that provides management and technical assistance, and assistance in identifying federal contracting opportunities to socially and economically disadvantaged businesses. These firms will have the opportunity to perform 22 types of services, including research and development support, engineering and acquisition logistics support.

"The SBA and Department of Navy have a unique opportunity to create opportunities for 8(a) companies and helps them develop and become viable in the federal contracting arena, an integral part of the business development assistance provided by the 8(a) program," SBA Acting Administrator Jovita Carranza said.

"This is a great example of a military department and a civilian agency working together to expand opportunities and improve diversification of our industrial base. I applaud the Navy and SBA's hard work to realize the vision to provide for competitive 8(a) restricted competition under the SeaPort-e program," said Tim J. Foreman, Director of the Office of Small Business Programs for the Office of the Secretary of the Navy.

Under the agreement, the Navy will be able to expedite the competition and award process directly from 8(a) firms without SBA as an intermediary. Other benefits of the partnership agreement include:

- Contract opportunities for 8(a) firms in the states affected by these procurements;
- Restriction of task order requirements under the Multiple Award Contracts tool solely for 8(a) competition on 22 types of services;
- An annual rolling admissions period to allow more small businesses to become Multiple Award Contracts awardees within SeaPort-e;
- Provisions to allow existing

prime contractors to renew their size status in accordance with SBA's new recertification rule;

- Rules permitting 8(a) participants to compete on non-8(a) task orders under a contract once they are listed on Navy's Multiple Award Contracts tool; and
- A five-year base ordering period and two five-year contract award terms under the Multiple Award Contracts tool for 8(a) program participants.

The Memorandum of Agreement is effective for five years.

### **Office of National Ombudsman Annual Report**

The Office of the National Ombudsman at the U.S. Small Business Administration recently released its annual report to the 110<sup>th</sup> Congress, rating federal agencies' responsiveness to the regulatory enforcement and compliance issues faced by small businesses during fiscal year 2007.

The National Ombudsman provides a voice for small businesses in the federal regulatory enforcement process. Created by the Small Business Regulatory Enforcement Fairness Act (SBREFA), the Office of the National Ombudsman works with small businesses and federal agencies to ensure that regulatory or compliance issues are handled and enforced fairly.

"It is essential that regulatory enforcement be effective, and not excessive," said National Ombudsman and Assistant Administrator for Regulatory Enforcement Fairness Nicholas N. Owens. "Our focus will continue to enhance transparency for small businesses served, while strengthening the relationship between the small business community and the government."

In 2007, the ONO significantly increased its responsiveness to small businesses, handling over 500 cases involving regulatory or compliance issues. Federal agencies decreased its response time to these cases from 52 days in 2006 to 27 days in 2007.

Each agency receives a "grade" from the National Ombudsman, rating its responsiveness to small business regulatory enforcement concerns. The annual report summarizes these ratings (which can be found in table II-1 of the report), based on five categories that include:

- The agency's timeliness and quality of response to small business comments;
- Presence of a non-retaliation policy;
- The degree of regulatory enforcement compliance assistance to small businesses;
- The agency's participation in Regulatory Fairness hearings; and
- How the agency informs small businesses about the SBREFA, as well as their rights to contact the Office of the National Ombudsman to discuss the enforcement and compliance process.

In 2007, federal agencies across the board improved their compliance efforts. This year, the National Ombudsman recognized six federal agencies for their extraordinary efforts in responding to small businesses' regulatory enforcement cases. "Although agencies are obligated to provide responses under SBREFA, it is my belief that the quality of our work is enhanced when it is met with positive compliance assistance efforts, rather than going straight to a penalty stage," said Owens. The six agencies acknowledged with the "National Ombudsman's Special Recognition for Regulatory Enforcement and Compliance Assistance" are listed in the report.

The National Ombudsman's 2007 annual report and additional information about the Office of the National Ombudsman is available at [www.sba.gov/ombudsman](http://www.sba.gov/ombudsman).

## SBA Personnel In Action

SBA personnel were busy once again in July. Several Wisconsin SBA employees have been assisting SBA Disaster Recovery personnel in the declared disaster areas in Wisconsin.

BDS and Veteran liaison, Joe Rosner represented SBA during the Wisconsin Department of Veterans Affairs Super-market for Veterans at the Milwaukee County Zoo and at the American Legion Convention in La Crosse.

BDS Becky Freund conducted lender session training in Loyal, Wisconsin, and Lead BDS Jim Simelton and BDS Joe Rosner conducted a lender training session in Brookfield, WI.

District Counsel Bradley Trimble and BD Supervisor John Mirenda were part of a Quality Service Review (QSR) team that conducted a review of the St. Louis, MO district office.

Stay tuned for further reports of your SBA at work in the communities of Wisconsin.

## High-Impact Firms Create Wisconsin's Jobs and Growth

"High-impact" firms create Wisconsin's new jobs and growth, according to a study recently released by the Office of Advocacy of the U.S. Small Business Administration. Distributed across all industries, high-impact firms' account for almost all employment and revenue growth in the national economy, the study concludes.

Of the 376,604 high impact firms identified by researchers nationwide, 6,832 are located in Wisconsin. That number represents 2.42% of Wisconsin's firms.

The study *High-Impact Firms: Gazelles Revisited*, defines high-impact firms as those whose sales have at least doubled over a four-year period and which have an employment "growth quantifier" (the firm's absolute change in employment multiplied by the percent change) of two or more.

The study notes that such firms are found across all industries and in all geographic regions. It ranks regions, states, metropolitan statistical areas, and counties by their percentage of high-impact firms. The study finds, with some data limitations, that high-impact firms are not start-ups but are on average around 25 years old, and that they come in all size classes. The report also documents that over the periods studied, nearly all job losses came from large, low-impact firms.

"High-impact firms are important to Wisconsin's economic growth and development," said Dr. Chad Moutray, Chief Economist for the Office of Advocacy. "State policy makers would be wise to consider how their policies can encourage such firms."

For more information, a complete copy of the report and rankings of high-impact firms by region, state, MSA, and county, visit the Office of Advocacy website at [www.sba.gov/advo](http://www.sba.gov/advo).

## Editor's Notes

### TRAINING CALENDAR

Be sure to visit <http://web.sba.gov/calendar/public/index.cfm?op=group&grp=73> for business training opportunities offered by SBA, SCORE, Small Business Development Centers, Women Business Centers, Procurement Assistance Centers and the Wisconsin Procurement Institute.

This site will become your first stop when looking for training sessions, conferences, and seminars at the federal level but will also include state, local and private activities that pertain to small business development.

## Link to WI SBA June 2008 Loans

## SBA June 2008 Micro-Loan Totals

Lincoln Neighborhood Redevelopment Corp. - 2 Loans for \$45,000  
WI Women's Business Development Corp. - 4 Loans for \$100,000

## SBA Business Development

The [Wisconsin SBA 8a Staff](#) provides development assistance to help socially and economically disadvantaged American businesses gain access to the mainstream American economy. Including:

- ✓ [Small Disadvantage Business Certification \(SDB\)](#)
- ✓ [Government Contracts](#)
- ✓ [8\(a\) Certification](#)
- ✓ [Central Contractor Registration](#)
- ✓ [How to Register your Business in CCR](#)
- ✓ [HubZone Areas](#)

**Business Opportunities: A Guide to Winning Federal Contracts**

[Government Contracting Training via Internet.](#)

Free and Exceptionally Informative,  
Learn how to GET those Government Contracts -

Visit Wisconsin SBA's [Business Development](#) section for more information.



# SBA 2009 SMALL BUSINESS AWARD NOMINATION

Help us recognize outstanding leaders in the small business community

SBA's size standards apply in defining a business as small- individuals who own and operate or bear principal responsibility for operating a small business are eligible.

## AWARD CATEGORIES

Please check one or more potential categories:

- ☐ **Small Business Person of the Year:** For developing an outstanding, growing business; innovative product(s), increasing jobs, increasing sales, overcoming adversity, and community contributions.
- ☐ **Small Business Exporter of the Year:** Significantly increased export sales and profits, encouraging other firms to export, increased jobs through exports, and innovative methods of creating markets.
- ☐ **SBA Young Entrepreneur of the Year:** Owner will not reach 30<sup>th</sup> birthday by June 1, 2009, three-year evidence of success in sales and profits, increased jobs, innovative products, demonstrated potential.
- ☐ **Entrepreneurial Success:** Business that started 'small' by SBA standards, then developed into a large business. Business must have received SBA assistance.
- ☐ **Jeffrey Butland Family Owned Small Business** – A family owned business that has passed from one generation to another and owner has responsibility for operating the business with at least a 15 year track record
- ☐ **Emerging Small Business Person** For developing an outstanding business with at least a three year track record, under 25 employees, under \$2.5 million in sales and less than 10 years in business (Wisconsin award)

**Small Business Champions of the Year:** Those who promote small business, including volunteering time and services to small business interests and groups, advocating the cause of small business in the legislative process. Champions may or may not be small business owners. (WI Award)

- |   |  |
|---|--|
| <input type="checkbox"/> <b>Minority Small Business Champion</b>  | <input type="checkbox"/> <b>Women in Business Champion</b>   |
| <input type="checkbox"/> <b>Veteran Small Business Champion</b>   | <input type="checkbox"/> <b>Small Business Journalist</b>    |
| <input type="checkbox"/> <b>Small Business Legal Assistance (WI Award)</b>                                  |  |
| <input type="checkbox"/> <b>Financial Services Champion (Accountant advocate merged with this category)</b> | <input type="checkbox"/> <b>Home Based Business Champion</b> |

## NOMINEE INFORMATION

I nominate \_\_\_\_\_ Title \_\_\_\_\_

Com-

pany/Organization \_\_\_\_\_ Address \_\_\_\_\_

Phone \_\_\_\_\_ Fax \_\_\_\_\_ E-

mail \_\_\_\_\_

Nominees Qualifications for this Award—attach short description on why this business/advocate should be considered:

\_\_\_\_\_

When nominating a business owner please complete the following:

Is the company operating profitably \_\_\_\_\_ # of years in business \_\_\_\_\_  
 # of employees \_\_\_\_\_ annual sales \$ \_\_\_\_\_ SIC/NAICS code \_\_\_\_\_

## NOMINATOR'S INFORMATION:

Nominator Name \_\_\_\_\_ Title \_\_\_\_\_

Organization \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_ Fax \_\_\_\_\_ E-mail \_\_\_\_\_

Reply by **October 3, 2008** mail (or fax 414-297-1377) this form to:

**Small Business Awards Committee, U.S. Small Business Administration  
 310 West Wisconsin Avenue, Suite 400  
 Milwaukee, WI 53203**

For more information, please contact: (414) 297-1093. Self-nominations accepted. This form may be duplicated. **For further consideration, a nomination binder with detailed materials will be requested.** SBA will contact the nominator with details. Thanks for your support!



**September 8, 2008**  
**9:00 am – 1:00 pm**

(Check-in 8:30 am to 9 am)

### Alverno College

Kellogg A  
 4<sup>th</sup> Floor  
 3400 S. 43rd Street  
 Milwaukee, WI 53234

**Space is Limited!**

**Pre-Registration Required**

**Registration Fee: FREE**

Register online @:

[www.sba.gov/idc/groups/public/documents/wi\\_milwaukee/sba\\_wi\\_online\\_reg.html](http://www.sba.gov/idc/groups/public/documents/wi_milwaukee/sba_wi_online_reg.html)

or

Contact for Registration:

Robin Dittberner

Email: [robin.dittberner@sba.gov](mailto:robin.dittberner@sba.gov)

Phone: (608) 441-5521

Fax: (202) 481-5307

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 For additional information, visit  
<http://csrc.nist.gov/securebiz/>  
 or contact: [securebiz@nist.gov](mailto:securebiz@nist.gov)

Helping Make Technology Safer



U.S. Small Business Administration

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Assisting Small Businesses  
 Nationwide



**Federal Bureau of Investigation**

Protecting the U. S. against Cyber-Based Attacks  
 and High-Technology Crimes

## Start your information security planning here!

### *What do your invoices have in common with your email?*

**If you do both on your computer, you may want to think more about computer security.** Payroll, proprietary information, client or employee data – information is essential to a business's success. A computer failure or other system breach could cost a business anything from its reputation to its competitive advantage.

- ♦ A bookkeeper, described as "a family man and a good Christian", stole \$73,000 from his employer. The theft, legal fees, and recovery fees paid to new accountants almost destroyed the 40-person firm.
- ♦ A Trojan horse, unknowingly activated by the company's owner, devastated a small consulting firm.
- ♦ A grandmother embezzled \$500,000 from her employer, a small electrical equipment supplier.

The small business owner who **recognizes the threat** of computer crime **AND** who takes steps to deter inappropriate activities is **less likely to become a victim.**

The NIST Computer Security Division has developed a workshop to **help the small business owner** increase information system security.

- ♦ Learn how to define information security (IS) for your organization.
- ♦ Hear examples of common types of threats and understand how to determine the extent to which your organization should proactively address threats.
- ♦ Learn common Best Practices and procedures to operate more securely.
- ♦ Hear a basic explanation of current technologies used in reducing IS vulnerabilities and learn of resources freely available to your organization.

For additional information visit:

<http://csrc.nist.gov/groups/SMA/sbc/index.html>



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